

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Lifeline and Link Up)	WC Docket No. 03-109
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Advancing Broadband Availability Through Digital Literacy Training)	WC Docket No. 12-23
)	

**AMENDMENT TO THE PETITION TO OPT-OUT OF THE NATIONAL DATABASE
PURSUANT TO
CFR 47 §54.404(a)
BY
THE PUBLIC UTILITY COMMISSION OF TEXAS**

THE PUBLIC UTILITY COMMISSION OF TEXAS

CHAIRMAN DONNA L NELSON
COMMISSIONER KENNETH W. ANDERSON, JR.
COMMISSIONER ROLANDO PABLOS

November 16, 2012

The Public Utility Commission of Texas (PUCT) respectfully submits this amendment to its September 13, 2012 Petition to Opt Out of the National Database Pursuant to CFR 47 §54.404(a).¹ Specifically, the PUCT responds to the recent Public Notice (“PN”) released by the Federal Communications Commission (“FCC” or “Commission”) that provided guidance to states regarding the process of opting out.² The PUCT appreciates the Commission’s actions to clearly define the system and process requirements necessary to demonstrate that a state’s centralized system is comprehensive and at least as robust as the processes adopted in the Order.

The PUCT provides the attached technical documentation from Solix, Inc., which is Texas’ designated Low-Income Discount Administrator (LIDA). This technical documentation demonstrates that the Texas LIDA system meets the Commission’s tests and the requirements of 47 CFR §54.404(a) to allow the PUCT to opt out of the National Database. The PUCT appreciates the opportunity to submit this amendment information and stands ready to provide additional responses that may be helpful to the Commission during its examination of these issues.

Respectfully submitted,
/ s /
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¹ Petition and Certification to Opt-Out of the National Database Pursuant to CFR 47 §54.404(a) by the Public Utility Commission of Texas, WC Docket No. 11-42 (Sept. 13, 2012).

² Public Notice, Wireline Competition Bureau Clarifies Minimum Requirements for States Seeking to Opt Out of National Lifeline Accountability Database, WC Docket No. 11-42, DA 12-1624 (Oct. 11, 2012).



Texas Low-Income Discount Administrator Technical Documentation

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TABLE OF CONTENTS

I. INTRODUCTION	5
II. OVERVIEW OF TEXAS PROCESS.....	5
III. RESPONSES TO OPT-OUT REQUIREMENTS	7

I. INTRODUCTION

As the Texas Low-Income Discount Administrator (“LIDA”), Solix, Inc. (“Solix”) has been directed by the Public Utility Commission of Texas (“PUC”) to provide the following required documentation and detail to support the PUC Petition to opt out of the National Database.¹ Specifically, Solix provides the following in support of the PUC’s amendment response to the Federal Communications Commission’s (“FCC” or “Commission”) Order and related Public Notice.²

II. OVERVIEW OF TEXAS PROCESS

As an initial matter, the PUC has systems in place that cover all Eligible Telecommunications Carriers (“ETCs”) operating in the state and all subscribers of those ETCs,³ and the Texas LIDA assists the PUC with administering those systems. As described below, the Texas LIDA utilizes two methods for Lifeline enrollment, coordinated enrollment and self-enrollment, and all ETCs in Texas must also provide comprehensive subscriber information to the LIDA.

Under coordinated enrollment, the LIDA receives a monthly file from the Texas Health and Human Services Commission (“HHSC”) that identifies all Texas recipients of benefits from the Supplemental Nutrition Assistance Program (“SNAP”), Medicaid,

¹ Petition and Certification to Opt-Out of the National Database Pursuant to CFR 47 §54.404(a) by the Public Utility Commission of Texas, WC Docket No. 11-42 (Sept. 13, 2012).

² See e.g., *Lifeline and Link Up Reform and Modernization et al.*, WC Dkt. Nos. 11-42 *et al.*, CC Dkt. No. 96-45, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656 (2012) (*Lifeline Reform Order* or *Order*); Public Notice, Wireline Competition Bureau Clarifies Minimum Requirements for States Seeking to Opt Out of National Lifeline Accountability Database, WC Docket No. 11-42, DA 12-1624 (Oct. 11, 2012) (“Public Notice”).

³ See 47 C.F.R. § 54.404(a).

Temporary Assistance for Needy Families (“TANF”),⁴ and health benefit coverage under the Child Health Plan (“CHIP”).⁵ The file provided by HHSC is updated every month, thereby producing a monthly eligibility verification process for this set of program eligible recipients.

Self-enrollment provides an application process for individuals that receive benefits from FCC-approved programs not administered by HHSC or who meet the state-established income threshold of less than 150% of the federal poverty guidelines (FPG).⁶ The LIDA reviews one hundred percent (100%) of the self-enrollment applications to ensure compliance with program requirements and issues customer eligibility decisions based on the information and supporting documentation submitted by the applicant. Self-enrollment customers found eligible based on program requirements remain eligible for the Lifeline discount for seven (7) months, at which time they must re-apply and qualify following the same requirements as during the initial enrollment certification process.

In addition to the information provided by the HHSC and self-enrollees, all ETCs in Texas are required to provide the LIDA with a monthly file that details all of the ETC’s residential customers. The LIDA combines the HHSC, self-enrollment and ETC data files and, utilizing multi-level matching criteria, produces a list of all subscribers eligible for a Lifeline discount. A secondary matching process is run to identify any duplicate Lifeline-eligible telephone numbers at the same household address. Consistent with the Lifeline Reform Order, customers are notified of duplicate credits and are informed of the process for selecting a single Lifeline credit, or for documenting that the residence

⁴ Public Utility Commission of Texas, Substantive Rules, §26.412(d)(2).

⁵ Texas Statutes, Chapter 62, Health and Safety Code.

⁶ Public Utility Commission of Texas, Substantive Rules, §26.412(d)(1).

satisfies the criteria of a separate economic unit, thereby allowing multiple discounts at the same residence.

After the matching and duplicate resolution processes are complete, all ETCs receive output files listing their company-specific subscribers that are eligible to receive a Lifeline discount. Additionally, ETCs are provided a copy of all company-specific Lifeline Certification (“Cert”) forms provided by their subscribers as a condition of receiving a Lifeline discount. ETCs are also able to access the LIDA system to conduct real-time verifications of Lifeline customer eligibility and to check whether a customer is receiving a Lifeline discount from another service provider.

III. RESPONSES TO OPT-OUT REQUIREMENTS

Solix’s comments in support of the PUCT amendment response herein are focused on the specific functionality requirements detailed in the Order and the PN. Each requirement is enumerated (and bolded) below, with Solix’s response immediately following.

- 1. The system on which the opt-out request is based must be able to facilitate a process to scrub individual and household duplicates from ETCs’ subscriber rolls.⁷ The state system must be sufficiently capable of handling whatever functions, if any, are necessary to implement the scrubbing process. The state should file any data in its possession regarding the individual and/or household duplicate rate in its state to demonstrate that the process in the state has, in**

⁷ See *Lifeline Reform Order*, 27 FCC Rcd at 6748-49, paras. 214-216.

fact, successfully scrubbed individual and household duplicates from ETCs' subscriber rolls.

The State of Texas has instituted a comprehensive process that requires participation by all ETCs operating in the state. Each ETC is required to transmit a list of all active residential customers to the LIDA at least monthly. The following data elements are captured, processed, and maintained in the LIDA database:

- a) Name
- b) Service Address
- c) Service City
- d) Service State
- e) Service ZIP
- f) Telephone Number
- g) Social Security Number (Full or Last Four Digits)
- h) Billing Address
- i) Billing City
- j) Billing ZIP
- k) Date of Birth
- l) Service Initiation Date

Utilizing the data submitted by ETCs combined with an automated data feed from the Texas HHSC and self-enrollment applications, the LIDA locates and removes ("scrubs") the data and runs a duplicate matching process as part of its enrollment approach. The components of the process are as follows.

- a) The LIDA receives a monthly list of individuals who are eligible for SNAP, Medicaid, CHIP, and TANF from the HHSC.
- b) The LIDA also receives applications from individuals who apply (self-enroll) directly based on program eligibility (i.e., SNAP, Medicaid,

CHIP, TANF, LIHEAP, NSLP – Free Lunch Program, SSI, Federal Public Housing) or based on income eligibility.

- c) The data feed from HHSC and self-enrollee application data are combined into a single enrollment list.
- d) Each ETC transmits a list of their active residential customers to the LIDA, and all ETC lists are combined into one data file.
- e) The LIDA compares the enrollment list to the combined ETC customer data file to generate a preliminary eligible discount list.
- f) Newly-identified potentially eligible individuals are sent a Lifeline Certification form by the LIDA.
- g) The preliminary eligible discount list is compared to a list of individuals who are grandfathered (by virtue of their continuous eligibility from May 31, 2012) or have submitted Lifeline cert forms. The resulting file represents the final discount list.
- h) The final discount list is then scrubbed to identify duplicate telephone numbers at the same address.
- i) Texas customers at addresses with identified potential duplicate credits are sent a letter that requires the customer to choose a single telephone number for which the Lifeline discount will be applied. In order to ensure that no carrier is favored by default, telephone numbers are randomly sorted when included in the letters mailed to customers.

- j) The customer is given thirty (30) days to respond to the letter. If the customer does not respond within thirty days, the first telephone number on the randomly sorted list is selected as the Lifeline number. All other telephone numbers at that address are de-enrolled and ETCs are notified accordingly.
- k) Texas customers at addresses with identified potential duplicate credits that also may have multiple economic units are sent a Lifeline Household Worksheet. Customers that properly complete and return a Lifeline Household Worksheet within thirty (30) days to declare that their household is a separate economic unit will continue to receive the Lifeline discount for each economic unit that is verified. Failure to return a properly completed Lifeline Household Worksheet within 30 days will result in de-enrollment of the telephone number for each economic unit that does not respond.

The Texas LIDA implemented the above-described duplicate resolution process in June 2012 following the directives outlined in the Lifeline Reform Order, Paragraphs 214-216. The LIDA established a process to notify subscribers who have more than one Lifeline-eligible telephone number at the same household, to facilitate the selection of a single Lifeline provider, and to provide notice that duplicate Lifeline-eligible telephone numbers other than the default selection will be de-enrolled from all Lifeline support unless the customer affirmatively chooses a single provider.

In June 2012, the LIDA mailed 120,320 letters to notify Texas customers of identified potential duplicate credits. Through August 2012, the LIDA has sent a total of 125,943 such letters. Many of the customer notifications included more than two phone numbers at the same address identified as eligible for Lifeline credits. As a result of this new process, the Texas LIDA has de-enrolled 220,652 telephone numbers previously identified as eligible for Lifeline discounts. This duplicative credit process is now performed on a monthly basis to capture potential duplicates that may result from individuals who are newly qualified for an eligible benefit. Although not all of the duplicate Lifeline-eligible telephone numbers were actively receiving a monthly credit, the results to date demonstrate that the Texas LIDA process has successfully scrubbed individual and household duplicates from ETCs' subscriber rolls.

2. **The system on which the opt-out request is based must be able to prevent ETCs from signing up individuals or households which are already receiving a Lifeline benefit. This includes a means for ETCs and/or other authorized users (e.g., state Administrators) to query the system prior to enrolling the subscriber to determine if the subscriber or anyone in the subscriber's household is already receiving duplicate support.⁸**

The coordinated enrollment approach utilized by the State of Texas to determine Lifeline eligibility follows three general steps:

⁸ See *Lifeline Reform Order*, 27 FCC Rcd at 6743-44, para. 203.

qualification, preliminary eligibility, and final eligibility, followed by notification to ETCs of their eligible customers. The process identifies potential duplicative discounts at residential household addresses and the LIDA notifies customers accordingly for resolution. Following the requirements of the Order, the LIDA manages the end-to-end duplicate identification and resolution process.

After potential duplicate discounts are identified at a household, the customer is notified and required to select the preferred Lifeline provider within thirty (30) days, utilizing the Lifeline Household Worksheet. As previously detailed, non-response within thirty days results in the selection of the default Lifeline provider, and de-enrollment of all other numbers at that household.

Consistent with the requirements of Paragraph 203 of the Order, ETCs are able to query the LIDA database to identify eligible customers and to ensure that they do not provide a Lifeline benefit to a consumer that is already receiving a Lifeline benefit from another ETC. When an authorized representative from an ETC accesses the LIDA system and enters a Texas customer's last name, the last four digits of the SSN, birthdate, and ZIP code, the LIDA system generates a real-time response detailing whether the identified customer is eligible for Lifeline and whether the customer is receiving a Lifeline discount from another ETC. The system tracks and logs all entities that access the system to conduct

queries and also generates a unique confirmation number for transaction recording and tracking purposes.

3. **The system on which the opt-out request is based must have a means of standardizing and verifying addresses submitted to the system. The system and any related processes must also be able to accommodate non-traditional addresses, such as addresses on Tribal lands not recognized by the U.S. Postal Service.⁹**

The LIDA system and database accommodate both standard and non-traditional addresses, such as addresses for Tribal Lands not recognized by the United States Postal Service (“USPS”). The data files transmitted by ETCs to the LIDA utilize standardized addresses (primarily based on 9-1-1 address systems).

The data files of enrollees received from the HHSC are standardized during the HHSC data entry and verification processes using USPS Coding Accuracy Support System (“CASS”) certification. For self-enrollees, the LIDA is implementing address cleansing and formatting using CASS certification during the initial data entry process to aid in verifying addresses and strengthen the duplicate matching process. The LIDA will also perform a secondary CASS certification on the final discount files to ensure that all addresses are standardized prior to identifying potential duplicates. The process enhancements described above will be in place no later than February 2013.

⁹ See *Lifeline Reform Order*, 27 FCC Rcd at 6738-39, 6743, paras. 193, 201.

4. **The system on which the opt-out request is based must have a means of verifying a subscriber's identity at the time a system query is made.¹⁰ In response to the query, the system must indicate whether the subscriber's identity can be verified, and, if not, provide error codes to indicate why the identity could not be verified.**

The identities of the individuals eligible for Lifeline discounts, as provided by the HHSC, are verified by the HHSC during the benefit qualification screening process. This pool of eligible recipients represents approximately 86% of all Lifeline discounts approved in the State of Texas.

The Texas HHSC utilizes the following guidelines to detail acceptable identity verification sources.¹¹

A—621 Verification Sources

Revision 12-1; Effective January 1, 2012

TANF, SNAP and TP 30

- Driver license or Department of Public Safety identification (ID) card (current or expired)
- Birth certificate (see Note)
- Hospital or birth records
- Adoption papers or records
- Work or school ID card
- Voter registration card

¹⁰ See *Lifeline Reform Order*, 27 FCC Rcd at 6743, para. 201.

¹¹ Texas Health And Human Services Commission, Texas Works Handbook, A-621 Verification Resources, Revision: 12-1, Effective: January 1, 2012.

- Wage stubs
- U.S. passport or U.S. passport card
- Self-declaration of driver license or Department of Public Safety (DPS) ID number already on file, along with other identifying information (Social Security number and date of birth)
- Self-declaration of driver license or DPS ID number listed on Data Broker, along with other identifying information (Social Security number and date of birth)

Note: Individuals born in Puerto Rico must provide a birth certificate issued on or after July 1, 2010, unless certified previously using a birth certificate issued before July 1, 2010. See C-932, Advisor Responsibility for Verifying Information, for information regarding assisting an individual in obtaining birth verification from Puerto Rico.

Medical Programs except TP 30

Copies of the document used to verify identity must be legible and non-questionable. Include a copy of the document in the case record.

Identity and Citizenship

- U.S. passport or U.S. passport card
- Certificate of Naturalization
- Certificate of U.S. citizenship
- State Data Exchange (SDX) for denied SSI recipients when the denial reason is for any reason other than citizenship
- State On Line Query/Wire Third Party Query and documentation on reason for Medicare denial
- Inquiry reflecting a current or denied TP 45 Medicaid case/eligibility determination group
- Children's Health Insurance Program (CHIP) perinatal inquiry reflecting a current or denied CHIP perinatal case for the child
- Wire Third Party Query

- Evidence of membership or enrollment in a federally recognized tribe

The state of Texas currently recognizes the following Tribes:

- Alabama-Coushatta Tribes
- Kickapoo Traditional Tribe of Texas
- Ysleta Del Sur Pueblo of Texas

Note: If using a document from this list, the certified individual does not have to provide any other document to verify citizenship.

Identity Only

- Driver license issued by a state either with a photograph or other identifying information such as name, age, sex, race, height, weight or eye color
- School ID card with a photograph
- U.S. military card or draft record
- DPS ID card with a photograph or other identifying information such as name, age, sex, race, height, weight or eye color
- Birth certificate (see Note)
- Hospital record of birth
- Military dependent's ID card
- Native American Tribal document
- U.S. Coast Guard Merchant Mariner card
- Certificate of Degree of Indian Blood or other U.S. American Indian/Alaskan Native and Tribal document with a photograph or other personal identifying information
- Adoption papers or records
- Work ID with photograph
- Signed application for Medicaid — accept signature of an authorized representative acting on the individual's behalf
- Health care admission statement

- Three or more corroborating documents (examples include but are not limited to marriage licenses, divorce decrees or high school diplomas)
- Clinic, doctor or hospital records for children under age 16
- School records, which may include nursery or day care records, for children under age 16
- Form H1097, Affidavit for Citizenship/Identity, for children under age 16 or disabled individuals residing in a residential care facility. For children under age 16, the form must be signed by a parent or guardian stating the date and place of birth of the child. For disabled individuals, the facility director or administrator must attest to the identity of the individual. Use as a last resort when other evidence is not available and if an affidavit is not used to establish citizenship.

Notes:

- If using a document from this list, the individual must also provide an additional document from the Medical Programs citizenship verification sources in A-358.1, Citizenship, to verify citizenship. Do not use the same document to verify identity that was used to verify citizenship and vice versa.
- Signed application for Medicaid verifies identity for all individuals listed on the application.
- Individuals born in Puerto Rico must provide a birth certificate issued on or after July 1, 2010, unless certified previously using a birth certificate issued before July 1, 2010. See C-932, Advisor Responsibility for Verifying Information, for information regarding assisting an individual in obtaining birth verification from Puerto Rico.

The HHSC also utilizes formalized, documented procedures to validate identity when a customer contacts the call center. For security and confidentiality reasons, the multi-tiered questions and precise procedures are not included in this document but rather are summarized below.

- a) Applicants are required to provide personally-identifying information regarding their case, household and household members.
- b) If the applicant does not provide the information requested in step a) above, a series of additional questions are asked in order to confirm the identity of the customer and to obtain household-specific information.
- c) The steps described above are repeated until the customer provides a sufficient number of correct responses to verify applicant identity.
- d) If the applicant does not adequately responded to the inquiries, the applicant identity is not verified and additional verification procedures are employed or the customer is instructed to apply in person.
- e) If the applicant does provide the required information, the applicant must then confirm a number of additional questions and if successful, is allowed to move forward in the process.

The remaining approximately 14% of Texas Lifeline customers apply directly to the LIDA through the self-enrollment process. In order to be certified as eligible for Lifeline, applicants must submit all required information such as name, address, SSN, date of birth, as well as any required supporting documentation. The LIDA is implementing additional

identity verification procedures, including identity verification services provided by independent third parties, no later than February 2013.

Customers that are denied eligibility are informed of the reason for denial and, as appropriate, are provided additional information about program eligibility requirements and the application process. Additionally, when ETCs query the LIDA system, they are provided with error codes regarding a customer's eligibility.

5. **The system on which the opt-out request is based must include a dispute resolution process to ensure that subscribers are not wrongfully denied benefits,¹² including those cases where a subscriber fails the automated identity check or where the subscriber's address is incapable of being recognized by the U.S. Postal System.**

The Texas LIDA system includes a robust customer service infrastructure designed to provide customers with assistance in understanding application procedures and requirements, respond to inquiries, and provide comprehensive communications. The system also includes a formal dispute resolution process that includes escalation to progressively higher levels of management and, ultimately, the PUCT.

Texas Lifeline applicants have access to a call center that is staffed 24 hours per day/365 days per year with both English and Spanish-speaking representatives, who can review customer information, answer

¹² See *Lifeline Reform Order*, 27 FCC Rcd at 6749, para. 217.

questions, and explain the reason(s) for a Lifeline eligibility denial. Customer disputes regarding eligibility decisions are often referred to the LIDA by the call center or the PUCT, or through direct contact by the customer. A consumer can initiate the process through a variety of means including e-mail, telephone, US mail, FAX, or through a call center representative who can directly input dispute information into an internal customer service tracking system.

The dispute resolution process is communicated through any of the above means and initiates a review of the dispute by the LIDA program management staff. The customer is contacted, as necessary, utilizing the same method of communication for which the dispute was initiated. After conducting any necessary research, the customer is provided with additional details explaining the reason for denial or otherwise addressing the disputed issues.

Corrective actions often include revising customer information within the LIDA database or providing required forms for proper completion. If a customer is still not satisfied with the steps taken by the LIDA program management staff, he or she is then referred to the PUCT for further escalation. PUCT staff review the case, research relevant issues, and work with the LIDA staff to take additional corrective actions and to further communicate with the customer. Final resolution often involves communication with ETCs to ensure that customers are provided a Lifeline discount or de-enrolled, as appropriate.

6. **The system on which the opt-out request is based must be able to receive and process information including the name, address and phone number of each Lifeline subscriber.**¹³

The Texas LIDA system is designed with comprehensive capabilities to capture and edit data, and to track and analyze account activity to support customer service and audit objectives. Pursuant to the requirements of Paragraph 198 of the Order, the LIDA system accommodates two-way exchanges of information with ETCs, and also intakes information from the Texas HHSC. The LIDA system is capable of exchanging information in real-time and via periodic batches. Customer information that is captured, stored and tracked includes name, mailing and service address, phone number, SSN, date of birth, and the means of qualification (program type or income).

7. **The system on which the opt-out request is based must capture the address and date of service initiation to which Tribal Link Up support is applied if Link Up support is offered in the state.**¹⁴

The State of Texas offers Tribal Link Up support and, in accordance with Paragraph 195 of the Order, will now require ETCs to provide the date of service initiation for which Tribal Link Up support is applied. This data element will be required to be reported by ETCs

¹³ See *Lifeline Reform Order*, 27 FCC Rcd at 6741, para. 198.

¹⁴ See *Lifeline Reform Order*, 27 FCC Rcd at 6739-40, para. 195.

beginning with the February 2013 reporting month and on a going-forward basis, and will be a permanent component of the two-way data exchanges between the LIDA and the ETCs.

8. **The system on which the opt-out request is based must have a process to manage “exceptions” to the definition of “duplicative support” rules and to deal with situations, such as non-standardized addresses, that may not be able to be resolved through mechanized means.**¹⁵

The LIDA enrollment process generates lists of approved customers resulting from automated routines and matching processes. At the same time, authorized LIDA management staff, with the appropriate level of authority and approvals, has the ability to process exceptions and override automated decisions. For example, if the PUCT decides that a customer is in a unique situation that does not fall within the standard system logic rules, the LIDA system allows for an override to provide a Lifeline discount to an identified customer.

The LIDA exception management process is continuously refined and thoroughly documented to ensure that exceptions can be processed, the reasons for exceptions can be explained, and all activity is recorded and saved to support customer service and audit requirements.

¹⁵ See *Lifeline Reform Order*, 27 FCC Rcd at 6747-48, paras. 212-213.

9. **The system on which the opt-out request is based must retain all data related to consumers who have received Lifeline and Link Up for ten years after the consumer receives Link Up or de-enrolls from Lifeline.**¹⁶

In accordance with the requirements of Paragraph 195 of the Order, the LIDA system maintains and will continue to maintain all data related to consumers who receive Lifeline and Link Up for at least ten (10) years after the consumer receives Link Up or de-enrolls from Lifeline. The PUCT has requested the LIDA to retain Lifeline customer information indefinitely and, as such, the LIDA system currently holds all customer information, either within the database or in off-line archives, dating back to 2004.

10. **The system on which the opt-out request is based must have the capability of receiving updates from ETCs both in real-time and in periodic batches.**¹⁷

As addressed above in response to Issue Number 6, following the requirements of Paragraph 198 of the Order, the LIDA system accommodates two-way exchanges of information with ETCs, and also intakes information from the Texas HHSC. The LIDA system currently employs a monthly batch process for the exchange of information with the HHSC and ETCs but the system is capable of exchanging information

¹⁶ See *Lifeline Reform Order*, 27 FCC Rcd at 6740, para. 195.

¹⁷ See *Lifeline Reform Order*, 27 FCC Rcd at 6741, para. 198.

in real-time. As previously noted, ETCs have the ability to conduct real-time transactions, including to verify customer Lifeline eligibility and to check whether a customer is receiving a discount from another ETC.

11. **The system on which the opt-out request is based must include safeguards to ensure that the data in the system is only used to check for duplicative support and related functions and for no other purpose, including marketing or subscriber retention.¹⁸ In addition, the state should demonstrate that the system includes sufficient safeguards to protect proprietary and personal information in the system from theft or loss.¹⁹**

Texas LIDA program staff do not use, and are specifically prohibited from using, LIDA program or customer information for any purpose other than as necessary to perform LIDA eligibility and management services. All LIDA program staff are required to sign confidentiality agreements upon hire and must successfully complete Health Insurance Portability and Accountability Act (HIPAA) certification training. Further, all ETCs are required to sign confidentiality agreements with the LIDA in order to participate in the program and to access LIDA systems and processes.

Multiple layers of safeguards and controls are employed to protect personally identifiable information (PII), and other confidential and

¹⁸ See *Lifeline Reform Order*, 27 FCC Rcd at 6751-52, para. 220.

¹⁹ See *Lifeline Reform Order*, 27 FCC Rcd at 6745, para. 207.

proprietary information. The Texas LIDA complies with applicable privacy and data security laws and standards bodies' best practices in relation to the protection of personal information. The LIDA staff are trained on the appropriate use and safeguard of PII, and are required to review the LIDA's corporate Information Security policies upon hire and at least annually thereafter.

The Texas LIDA system adheres to commercial best practices regarding the protection of resources in its computing infrastructure, including both electronic and physical safeguards. The LIDA utilizes secure transmission technologies for transmitting data and its network is protected using firewall technology to prevent unauthorized access. The firewalls are configured in failover mode in order to ensure redundancy of access and security. Strong access controls are utilized to restrict information access to only those staff with business needs, and unique user IDs and passwords with routine password aging strengthen information security. Further, the LIDA maintains and regularly tests comprehensive disaster recovery and business continuity plans.

The LIDA system is regularly monitored for security vulnerabilities and is subjected to periodic vulnerability risk assessments, including penetration testing. To ensure up-to-date protection and maintain current standards, known critical security updates and patches are promptly installed.

The holistic approach to system and process security and controls employed by the LIDA provide sufficient safeguards to protect proprietary and personal information. The efficacy of the LIDA's internal controls and electronic and physical safeguards have been confirmed through recent successful, independent Statement on Standards for Attestation Engagements (SSAE) No. 16 reviews completed during 2011 and 2012.

12. **The system on which the opt-out request is based must permit the FCC and USAC to access records necessary for oversight and for audits.**²⁰

Following the requirements of Paragraph 195 of the Order, the LIDA system maintains and will continue to maintain all data related to consumers who receive Lifeline and Link Up for at least ten (10) years after the consumer receives Link Up or de-enrolls from Lifeline. The LIDA system currently maintains all customer information, either within the database or in easily retrievable archives, dating back to 2004. The LIDA program activity is thoroughly documented, and saved in formats that allow for regulatory reviews and audits. As evidence to this statement, the LIDA's internal controls and processes were confirmed through successful SSAE No. 16 reviews completed in 2011 and 2012.

²⁰ See *Lifeline Reform Order*, 27 FCC Rcd at 6754-55, para. 225.